

## **Exhibit 54**

**Darcie Pace**

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**From:** Matt Martorello <mattm@bellicosevi.com>  
**Sent:** Tuesday, December 31, 2013 12:06 AM  
**To:** Nicole St. Germain; Karrie Wichtman; Justin Martorello  
**Cc:** Daniel Gravel; Robert Rosette  
**Subject:** RE: Memo Regarding Structure of Possible Acquisition of SPVI

Sorry one more thing on Management. If it is something where one person controls the entity, let's make certain they have immunity (if it were Justin for example) of course as well.

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**From:** Matt Martorello  
**Sent:** Tuesday, December 31, 2013 1:00 AM  
**To:** Nicole St. Germain; 'Karrie Wichtman'; Justin Martorello  
**Cc:** Daniel Gravel; 'Rob Rosette'  
**Subject:** FW: Memo Regarding Structure of Possible Acquisition of SPVI

Very preliminary review (I skimmed it).

- A) Great work guys, very informative here
- B) I'm not sure the proposal was exactly accurate, but close enough to analyze the issues
- C) Seems like after your proposed changes, the 51% equity bit is left as the only question mark. I think this could easily be increased to whatever the benchmark of confidence is, since equity and profits interest differ. What equity ownership % hits the benchmark (60/40?). Or is it more like 100% or 51%, and in between is no man's land (a lot of page 13 #3 seems to state 100% is the only certainty). I don't think 100% is out of reach, some caveats could simply be made.
- D) On the proposed changes:
  - a. Revenue – 10% certainly isn't going to work from a business standpoint (i.e. I might as well be a state licensed lender, as a comp.) The deal could be an outstanding deal and 1<sup>st</sup> of its kind, but we need to have it make sense.
    - i. I think this stems partly from point 2 on page 13, which I believe inaccurately only looks at a 4 year time period. In reality, the economics certainly support economic development as in 4 years, it's spinning off a major amount of cash flows. That's economic development. Not even a casino makes money in the first several years.
    - ii. Also partly from Page 14 part 5 – which is more of the same really. Looks at years 1 – 4 only. Even during that time, money does in fact inure to the benefit of the tribe via the TLE. It would be explained to exist because it is exactly what it is. The tribe would like to buy in some capacity the intel of SPVI so it could get more money in the long-term. The terms of such a deal result as proposed. This is the same way casino developers get Management fees (though for 7 years, not 4 years and at a lower rate). If regulations didn't prevent it, I might develop a casino for you and say, "I don't want 7 years and 30%, I want less years and a higher %". What I think you'd tell a court that would challenge the immunity is that if the deal were not done, well then: A) the tribe didn't know: A) if SPVI would be around in 10 days given the industry, B) Execute its termination provision in accordance with the SA, or C) hike rates as risk has gone through the roof with detractors now seeking out SPVI's of the world for major attacks. Plus, it could save money over the course of the next 10 years of the relationship with SPVI by entering this deal, rather than keeping the status quo. This is same as how I might consider buying a LMS for example. I can pay the licensing fee, or I can pay way more money today to buy it from them and I am upside down on that investment for 4 years, but after year 4, I'm making 10 times

more money than I would have been had I elected to be licensing still today. For all of these reasons, I don't see the revenue as an issue.

- b. Management – If this issue isn't worked out in some very particular way, the deal just won't get done. Hoping you have some ideas around this. All the investors (institutional, personal, and myself) won't allow the deal to occur without being 100% certain adequate Management resources are in control. This seems the 1<sup>st</sup> major hurdle to accomplish.

All that said, I kind of thought we'd settled on status quo after talking about this for about 18 months and nowhere to go. However, I think there is a way this works. Clock is ticking before I end up in a Cash Call type attack though, at which point, I think the deal is about dead.

Hopefully yours,  
Matt

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**From:** Nicole St. Germain [<mailto:NStGermain@rosettela.com>]

**Sent:** Monday, December 30, 2013 7:06 PM

**To:** Chairman James Williams; Joette Pete-Baldwin; Susan McGeshick; Giizhigookway; Cheryl McGeshick; Eli Edwards; Tyrone McGeshick; [john.mcgeshickjr@lvdtribal.com](mailto:john.mcgeshickjr@lvdtribal.com); Henry Smith

**Cc:** Karrie Wichtman; Matt Martorello; Justin Martorello; Daniel Gravel

**Subject:** Memo Regarding Structure of Possible Acquisition of SPVI

Honorable Tribal Council,

Please find attached a memorandum analyzing the proposed transaction between the Tribe and Source Point for the formation of a new LLC formed under Tribal law that would act as RRTL's and DCTF's servicer. As you will see, the threshold issue is whether formation of a new entity that is co-owned by the Tribe and Source Point and subject to the proposed profit, management and voting controls is sufficient to pass muster with the "arm of the tribe" test to extend the Tribe's sovereign immunity from suit to the new LLC.

We are ready to discuss these issues at your convenience.

Thank you,

Nicole M. St. Germain, Associate

**Rosette, LLP**

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